

RESOLUTION NO. _____, SERIES 2009

A RESOLUTION OF THE LOUISVILLE/JEFFERSON COUNTY METRO GOVERNMENT ("METRO") AUTHORIZING THE MAYOR TO FORGIVE CERTAIN LOANS TO ROOSEVELT PARTNERS, LTD., AND TO ASSIGN CERTAIN MORTGAGES HELD BY METRO TO NEW DIRECTIONS HOUSING CORPORATION ("NDHC").

Sponsored By David W. Tandy

WHEREAS, Metro is the holder of certain HOME mortgages on property owned by Roosevelt Partners, Ltd. dated September 25, 1996, and recorded in Mortgage Book 4179, Pages 29 and 36, in the Office of the County Clerk of Jefferson County, Kentucky (the "Roosevelt Mortgages"); and

WHEREAS, in 2003, NDHC assigned certain Mark-to-Market mortgages on property owned by Russell Apartments, LLC, dated April 28, 2003, and recorded in Deed Book 8125, Page 594, and Deed Book 8125, Page 610, in the Office of the County Clerk of Jefferson County, Kentucky (the "Russell Mortgages") and Shawnee Apartments, LLC, dated April 28, 2003, and recorded in Deed Book 8125, Page 904, and Deed Book 8125, Page 922, in the Office of the County Clerk of Jefferson County, Kentucky (the "Shawnee Mortgages") to Metro; and

WHEREAS, NDHC has requested that Metro forgive the Roosevelt Mortgages; and

WHEREAS, NDHC has requested that Metro assign the Russell Mortgages and the Shawnee Mortgages to NDHC, after said assignment is approved by U.S. HUD; and

WHEREAS, these actions will benefit the Louisville community because in the current recessionary financial environment with its heightened bank underwriting requirements, New Directions has been limited in its access to lending. This is due almost entirely to the soft second loans and this had caused corresponding impacts in prioritized community work. Constrained access to credit limits New Directions capacity to mobilize use of both state and national housing programs. National and regional resources from agencies like NeighborWorks America and Kentucky Housing Corporation are also inhibited by this balance sheet

impediment. This restricts what New Directions can do to help Louisville in endeavors like the Stimulus funding and Neighborhood Stabilization Program.

NOW, THEREFORE, BE IT RESOLVED BY THE METRO COUNCIL OF THE LOUISVILLE/JEFFERSON COUNTY METRO GOVERNMENT, AS FOLLOWS:

Section I. That the Mayor is hereby authorized to forgive the Roosevelt Mortgages.

Section II. That, after approval by U.S. HUD of these transactions, the Mayor is hereby authorized to assign the Russell Mortgages and the Shawnee Mortgages to NDHC.

Section III. That this resolution shall take effect upon its passage and approval.

Kathleen J. Herron
Metro Council Clerk

David W. Tandy
President of the Council

Jerry E. Abramson
Mayor

Approval Date

APPROVED AS TO FORM AND LEGALITY:

Michael J. O'Connell
Jefferson County Attorney

BY: _____